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FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Angola Verification Mission (UNAVEM II) (A/48/836 and Corr.1 and 2). During its consideration of the report, representatives of the Secretary-General provided additional information to the Advisory Committee.

2. The introduction to the report of the Secretary-General provides, in paragraphs 1 to 21, background information on the development of the mission. Paragraphs 22 to 28 of the report contain information on the status of assessed contributions, voluntary contributions, the financial performance report for the period from 1 March to 15 September 1993 and the cost estimates for the period from 16 December 1993 to 15 December 1994. In paragraph 32 of his report, the Secretary-General outlines the actions that would be required to be taken by the General Assembly at its forty-eighth session in connection with the financing of UNAVEM II.

3. The Advisory Committee was informed that contributions payable to UNAVEM and UNAVEM II as at 1 January 1994 amounted to $33.3 million, assessment for UNAVEM II for the period from 16 December 1993 to 31 March 1994 amounted to $6.2 million, collections in 1994 amounted to $9 million and the total outstanding as at 31 January 1994 was $30.5 million. In order to meet the operating cash requirements of UNAVEM II, loans amounting to $37 million were made to the UNAVEM special account from the Peace-keeping Reserve Fund ($19 million) and from the United Nations Transition Assistance Group (UNTAG) special account ($18 million). In the course of consideration of the report, the Advisory Committee was informed that $29 million out of the total amount loaned currently remained outstanding. In this connection, the Advisory Committee reiterates its prior recommendations regarding the non-payment or late payment of contributions to peace-keeping operations (A/47/990, para. 41). The

Advisory Committee questions the use of the Peace-keeping Reserve Fund as a cash reserve and intends to revert to the matter when reviewing the report of the Secretary-General on the establishment of a peace-keeping reserve fund.

Financial performance for the period from 1 March to 15 September 1993

4. The Committee notes that, as reflected in annex I to the report of the Secretary-General (A/48/836 and Corr.1 and 2), total savings of $90,100 gross ($36,000 net) for the period in question reflect the combined effect of savings realized under such objects of expenditure as air and transportation operations, which were to a large extent offset by expenditure overruns under such objects of expenditure as civilian personnel costs, premises, supplies and services. Savings relating to air and transportation operations were due to lower utilization of aircraft than anticipated. Expenditure overruns relating to civilian personnel costs, premises, supplies and services were due to a higher number of staff on board as compared with the approved staffing table, rental of conference facilities for the peace talks and higher than anticipated expenses for security, garbage removal and cleaning services. Annex II to the report of the Secretary-General provides supplementary information on the financial performance for the period from 1 March to 15 September 1993.

Financial performance for the period from 16 September to 15 December 1993

5. The Advisory Committee notes that information on financial performance for the period from 16 September to 15 December 1993 has not been included in the report of the Secretary-General (A/48/836 and Corr.1 and 2) and that, upon inquiry, it was informed that the relevant report would be submitted to the Committee at a later stage, when the financial data on that period became available.

Cost estimates for the period from 16 December 1993 to 15 March 1994

6. As reflected in the corrigenda to subparagraph 32 (b) of the report (A/48/836/Corr.1 and 2), the Secretary-General proposes the appropriation of the amount of $6,296,100 gross ($5,990,850 net) for the maintenance of UNAVEM II for the period from 16 December 1993 to 15 March 1994, the above amount to be set off against the apportionment of $6,478,800 gross ($6,097,700 net) authorized by the General Assembly in its decision 48/465 for the period from 16 December 1993 to 31 March 1994.

7. The Advisory Committee understands that the amount of $6,296,100 gross was arrived at by multiplying the estimated monthly requirement of $2,098,700 gross for the period from 16 December 1993 to 15 December 1994 by three months to the end of the current mandate period, i.e. to 15 March 1994. The Advisory Committee regrets that the amount of $6,296,100 gross was not specifically substantiated and reported in a separate annex to the report of the

Secretary-General and recommends, in this connection, that, in future reports on financing of United Nations peace-keeping operations, cost estimates and budget performance be provided and explained for each mandate period separately.

Cost estimates for the period after 15 March 1994

8. As indicated in the corrigendum to subparagraph 32 (c) of his report (A/48/836/Corr.1), the Secretary-General proposes, with regard to the above period, a provision by means of appropriation and/or commitment authorization at a monthly rate of $2,098,700 gross ($1,996,950 net), should the Security Council decide to continue UNAVEM II beyond 15 March 1994.

9. The cost estimates for the period after 15 March 1994 are based on the current strength of UNAVEM II and provide for 54 international civilian staff, 61 military personnel (50 observers and 11 medical personnel), 18 police observers and 75 local staff. The Advisory Committee was informed that, as at 28 February 1994, there were 56 international civilian staff, 61 military personnel (50 observers and 11 medical personnel), 20 police observers and 73 local staff.

10. The Committee notes that the provisions for the salaries and common staff costs of international staff are based on New York standard costs, except for international staff on assignment from other United Nations organizations and staff appointed for the mission. The estimate for the local staff is based on the local salary scale established for Luanda. In addition, a hazardous duty allowance of $600 per person per month is budgeted for international staff, while an equivalent of 15 per cent of their salaries is budgeted for this purpose for locally recruited staff. The Committee trusts that any payment relating to hazardous duty station allowance is made in accordance with the relevant rules and regulations of the United Nations.

11. The Advisory Committee was also informed that, in view of the recent progress achieved in the Lusaka talks, it is anticipated that the current mandate of UNAVEM II will be extended for an additional period of approximately three months and, should the Lusaka agreement be concluded, the Security Council may decide to expand the mandate of the mission and bring the existing strength of UNAVEM II to the level in effect for the period from 1 November 1992 to 28 February 1993, i.e. 350 military observers, 126 police observers and 14 medical personnel, with an appropriate number of international and local civilian staff.

12. It is the understanding of the Advisory Committee that the Secretary-General will submit for its review a detailed report on the financial implications, should the Security Council decide to expand the mandate of UNAVEM II.

13. Taking into account additional information provided by the Secretariat and referred to above, the Committee recommends approval of the estimates of the Secretary-General, i.e. that an amount of $5,500,000 gross ($5,253,900 net) be appropriated for the period from 16 September to 15 December 1993 and an amount of $6,296,100 gross ($5,990,900 net) be appropriated for the period from

16 December 1993 to 15 March 1994. In addition, the Committee recommends that, should the Security Council decide to extend the current mandate of UNAVEM II beyond 15 March 1994, the General Assembly authorize the Secretary-General, with the prior concurrence of the Advisory Committee, to enter into commitments for a period from 16 March to 30 June 1994 at a monthly rate not to exceed $2,098,700 gross ($1,997,000 net).

Compliance with past recommendations of ACABQ

14. The Advisory Committee requests that, in future reports of the Secretary-General on the financing of UNAVEM II, precise information should be given on implementation, of and/or compliance with, recommendations of the Committee that have been endorsed by the General Assembly.